IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 204 of 2004

For Approval and Signature:

HON'BLE MR.JUSTICE K.A.PUJ

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1	Whether Reporters of Local Papers may be allowed to see the judgment ?
2	To be referred to the Reporter or not ?
3	Whether their Lordships wish to see the fair copy of the judgment ?
4	Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?
5	Whether it is to be circulated to the civil judge ?

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CONTEMPORARY TARGETT PVT.LTD. - Petitioner(s)
Versus
.. - Respondent(s)

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Appearance :
MRS SWATI SOPARKAR for Petitioner No(s).: 1.
None for Respondent No(s).: 1.

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CORAM :HON'BLE MR.JUSTICE K.A.PUJ

Date : 13/07/2005

ORAL JUDGMENT

1. This is a petition filed by the petitioner Company for sanction of a Scheme of arrangement in the nature of Amalgamation of Contemporary Targett Prafull Private Limited (after De-merger and transfer of Tea Broking business of CTPPL to Contemporary Brokers Private Limited) with Contemporary Targett Private Limited (the petitioner Transferee Company) under Section 391 read with Section 394 of the Companies Act, 1956.

2. The petitioner Transferee Company is the company having its registered office at Vadodara in the State of Gujarat. The separate proceedings for the De-merged Company and the Resulting Transferee Company have been filed respectively in the High Court of Kolkata and High Court of Delhi, as their respective registered offices are situated in those states. It has been pointed out that High Court of Kolkata has already sanctioned the proposed Scheme vide an order passed on 2nd May,

2005 in Company Petition No. 578 of 2004 and the petition before the Delhi High Court is scheduled.

3. The Transferor Company, being the flagship company of the group was originally promoted for the tea broking business. It is also engaged in manufacturing of tooth brushes in Vadodara. The Transferee Company is relatively a new company primarily promoted to manufacture toothbrushes. Both the companies belong to the same group of management. The restructure of the Transferor Company is proposed to achieve higher efficiencies in respective specialty areas. The petition gives details of the advantages that would flow by virtue of the restructure and arrangement of these companies.

4. The meetings of the Equity shareholders of the petitioner Transferee Company were dispensed with in view of the consent letters from all the shareholders of the Company approving the Scheme

being put on record.

5. After the petition was admitted, the same was duly advertised in the newspapers being “Indian Express” Vadodara edition and “Loksatta-Jansatta” - Vadodara edition of 08.10.2004 and the publication in the Government Gazette was dispensed with as directed in the order dated 27.09.2004. No one has come forward with any objections to the said petition even after the publication.

6. Notice of the petition has been served upon the Central Govt. and Shri J.M. Malkan, learned Assistant Solicitor General appears for the Central Govt. Shri Malkan has informed the Court and put on record the letter from the Registrar of Companies of Gujarat dated 10.05.2004 along with the letter from the Regional Director dated 25.04.2005, indicating that the Central Govt. does not propose to object to the proposed Scheme of

amalgamation. It has only drawn the attention of the Court to the inadequacy of the Authorised Capital of the Transferee Company for the issue of new equity shares to the shareholders of the Transferor Company. It has been submitted by Smt. Swati Soparkar appearing for the petitioner Company that on sanction of the Scheme by this Court, the Company shall increase its Authorised Capital to the requisite level by following the necessary procedure for the same. In view of this there is no reason to withhold the sanction to the Scheme of amalgamation.

7. Heard Smt. Swati Soparkar, learned advocate appearing for the petitioner Company. Having gone through the petition and being satisfied that amalgamation would be in the interest of the companies and their members and creditors, prayers in terms of paragraph 15 (A) of the petition are hereby granted.

8. The petition is disposed of accordingly. So far as the costs to be paid to the learned Assistant Solicitor General is concerned, the same are quantified at Rs. 3,500/-. The same may be paid to the learned advocate Shri J.M. Malkan.

[K.A. PUJ, J.]

Savariya